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PART III.

Legislative Measures and Rules thereunder.

NOTIFICATION.

No. Fl. 3540—*Gen. Fin.* 350-09-3; *dated* 26*th January* 1910.

The following rules under the Mysore Government Securities Regulation, IX of 1894, were published in the *Mysore Gazette*, on the 8th April 1909, inviting suggestions and criticisms within three months from the date of publication of the draft rules.

No suggestions or criticisms having been received, the Government of His Highness the Maharaja are pleased to declare that the rules shall come into force from the date of publication.

By Order,
J. S. CHAKRAVARTI,
Financial Secretary.

Rules under the Mysore Government Securities Regulation, IX of 1894.

In exercise of the powers conferred by Section 13 of the Mysore Government Securities Regulation, IX of 1894, the Government of His Highness the Maharaja of Mysore are pleased to make the following rules:—

Printing of interest cages and recording thereon of the payment of interest.

1. Interest cages showing the several half years for which interest will accrue, shall be imprinted on the reverse of each note issued and payment shall be recorded by the stamp of the Disbursing Office, or by a manuscript entry over the space apportioned to the half year concerned. The recording entry shall show the name of the Treasury, the number borne by the payment voucher, and the date of payment; this entry shall be authenticated by the initials of the Treasury Officer; and the holder's receipt shall be taken on the face of the payment voucher.

Endorsement by an Indian female.

2. An endorsement or receipt by an Indian female must be attested by the signatures of at least two respectable witnesses, who must attend before the officer in charge of the Treasury where interest is payable, and certify to the genuineness of the endorsement or receipt.

Endorsement by a private trust not recognized.

3. No notice will be taken of any trust appearing in an endorsement of transfer or receipt for interest. When a note is endorsed to, or receipted by, any person in his capacity of trustee or in any other representative capacity, such person will be treated in all respects as the true owner of the note.

A note, blank-endorsed by the holder not receivable.

4. A note, blank-endorsed by the holder is not receivable at any Government Treasury or at the Comptroller's Office. The holder of any such security will therefore be required to specially endorse the same before submitting it for payment of interest.

Cases in which renewal of Government Securities is necessary.

5. The holder of any note may be required to receipt the same for renewal in all or any of the following cases, that is to say :—

(1) If only sufficient room remains on the back of the note for one further endorsement or when any word or words is or are written upon the note across any existing endorsement or endorsements, all cross endorsements being strictly prohibited.

(2) If the note is torn or in any way damaged or crowded with writing or unfit, in the opinion of the officer before whom it is produced for payment of interest, for receiving endorsement.

(3) If the note bears an endorsement which transfers the note to, or is signed by, any person otherwise than in his personal capacity except in the undermentioned cases :—

(*a*) Where the transferee is a well-known firm, corporate body, or Bank, or the signature attached to the endorsement is the usual name or signature of such a firm or purports to be the impression, of the common seal of a corporate body with perpetual succession, or is the signature of the Secretary, Deputy Secretary, Manager, or Agent of a Bank or corporate body ;

(*b*) Where an endorsement is made in his official capacity by the person holding for the time being one of the offices to which the Government of Mysore has, by notification in the official Gazette, declared Section 6, sub-section (1) of the Mysore Government Securities Regulation, IX of 1894, to apply ;

(*c*) Where the transfer is made to or by a person in whose favor a certificate under the Succession Certificate Regulation (VII of 1901) or probate or letters of administration under the Indian Succession Act (X of 1865) has (or have) been granted by a Court of competent jurisdiction ;

(*d*) Where the transfer is made to, or by the executor or an administrator of an estate, who is described as such therein, such executor or administrator being shown to be the holder according to the tenor of the note of previous endorsements.

(4) If the endorsement is not clear and distinct, or if it is made on a paper affixed to Government Promissory Note.

(5) If, in the opinion of the officer before whom the note is presented for payment of interest, the title of the person so presenting the note is irregular or not fully approved.

(6) If the note in question being the counterpart note issued under the provisions of Rule 6, has ceased to be the property of a minor or to belong to an estate in which the administration is limited to interest.

In all or any of the preceding cases payment of any further interest on such note may be refused until the note is receipted for renewal and actually renewed.

Issue and withdrawal of counterpart notes.

6. In the case of any note which is the property of a minor or belongs to an estate in which administration is limited to interest, the Comptroller may upon such note being deposited with him issue to the holder of such note a counterpart thereof having the words "Counterpart not negotiable" stamped across the face thereof and further payments of interest may be recorded upon such counterpart. Whenever such note shall cease to be the property of a minor or shall cease to belong to an estate in which administration is limited to interest, the further payment of interest, in respect of the note may be refused until the first or any subsequent counterpart (as the case may be) issued in respect of it has been receipted and renewed in the manner provided in the last preceding rule. Upon such counterpart being receipted and renewed as aforesaid, the same together with the original note, and any preceding counterpart issued in respect thereof will be cancelled.

7. No payment of interest and no record or acknowledgment of the payment of interest and no issue of a counterpart note under the preceding rules is to be deemed or taken to be acknowledgment of the title of the holder of any note.

Fee in respect of applications for renewal of notes or issue of duplicate.

8. The following fee is payable in respect of applications under Sections 10 and 11 of the Mysore Government Securities Regulation, IX of 1894 :—

For each renewed or duplicate security, rupee one.

9. A note tendered for renewal must be receipted on the reverse as follows :—

"Received, in lieu hereof, a renewed note, payable to (name of holder), with interest payable at.....

Signature of the Holder ".

Duly authorized representative of (name of holder).

10. If a person tendering a note for renewal applies for more than one note in lieu of the note tendered, the latter must be receipted on the reverse as follows, or in a form as near thereto as circumstances will admit :—

"Received, in lieu hereof, two (or more) notes for Rs..... respectively, payable to (name of holder), with interest payable at.....

Signature of the Holder ".

Duly authorized representative of (name of holder).

11.—If a person tendering more than one note for renewal applies for one consolidated note in lieu of the notes tendered, the latter must be receipted as follows, or in a form as near thereto as circumstances will admit :—

"Received, in lieu hereof, a new note payable to (name of holder), for Rs.....(by consolidation with Promissory Note or Notes Nos.....) (mentioning the numbers and amounts of the other notes desired to be consolidated with it), with interest payable at.....

Signature of the Holder ".

Duly authorized representative of (name of holder).

12. The form of receipt mentioned in the foregoing rules must be very clearly and correctly written, and there must be no ambiguity as to the name of the payee of the new note. The name of the holder as signed by him or as entered by the duly authorized representative below his own signature, should agree letter for letter with the name in the body of the note, or in the transferring endorsement, as the case may be. Where the holder himself signs the receipt, he may add his usual signature below.

How and where Government Securities are to be renewed.

13. The holder of any note requiring renewal may procure a renewed note in either of the following ways,—that is to say, he may present it duly receipted either in person or through a representative (1) at the Comptroller's Office; or (2) at a Government Treasury for transmission to that office. The prescribed officer referred to in Section 10 of the Mysore Government Securities Regulation, IX of 1894, shall be the Comptroller.

14. The officer referred to in Section 11 of the Mysore Government Securities Regulation, shall be the Comptroller for the time being.

15. The Comptroller is authorized to prescribe the form of voucher for payment of interest and issue any subsidiary rules or instructions, not inconsistent with the above rules, which may be required for the guidance of the officers concerned.

Procedure on loss of Promissory Notes of the Mysore State Loans.

16. The loss or destruction of a Promissory Note of the Mysore State shall be notified, in the first instance, by a letter addressed to the Comptroller to the Government of His Highness the Maharaja of Mysore; such letter shall contain the following particulars:—

(1) Particulars of the note according to the following form:—
Promissory Note for Rs.....No.....of the.....per cent Mysore State Loan of.....

(2) Last half year for which interest has been paid.

(3) To whom paid.

(4) Name of the person in whose name the note was issued (if known).

(5) Where enfaced at present.

(6) The circumstances attending the loss.

(7) Whether the loss was reported to the Police.

The above letter shall be accompanied by—

(*a*) The Post Office Registry receipt for the letter containing the note, if the same was lost in transmission by post.

(*b*) The Police report, if any can be obtained.

(*c*) A letter signed by the Officer of the Treasury where interest was last paid certifying the last payment of interest made on the note and to whom the payment was made.

(*d*) If the applicant is not the last registered holder, all documentary evidence necessary to trace back the title to the last registered holder.

(*e*) Any portions or fragment which may remain of the lost or destroyed note.

A duplicate copy of the letter to the Comptroller must also be sent to the Treasury where interest is payable.

17. The loss or destruction of a Promissory Note shall be further notified by an advertisement both in English and Kanarese, which the applicant for a duplicate note shall cause to be inserted in three successive issues of the *Mysore Gazette*. Such notification shall be in the form following, or as near thereto as the circumstances will admit:—

Lost or destroyed (as the case may be).

The Mysore Government Promissory Note No..... of the.....per cent loan of.....for Rs....., originally standing in the name of..... and last endorsed to....., the proprietor, by whom it was never endorsed to any other person, having been lost or destroyed, notice is hereby given that payment of the above note and the interest thereupon have been stopped by the Comptroller to the Government of His Highness the Maharaja of Mysore and that application is about to be made for the issue of a duplicate in favor of the proprietor. The public are cautioned against purchasing or otherwise dealing with the abovementioned security.

Name of advertiser.....

Residence.....

18. At the expiration of six months from the date of the insertion of the last advertisement, the Comptroller, if satisfied of the loss or destruction of a portion of a note and of the justice of the claim of the applicant, and if a sufficient portion for the identification of the note so lost or destroyed shall have been produced, shall, upon the execution of such bond of indemnity (with or without sureties) as is hereinafter mentioned, issue to the applicant a duplicate note in lieu of that so lost or destroyed as aforesaid. If, however, no portion or no sufficient portion of the note so lost or destroyed shall have been produced as aforesaid, then at the expiration of the two years from the date of the insertion of such last advertisement, the

Comptroller shall, if satisfied as aforesaid, pass an order directing the Treasury where interest is to be made payable upon the execution of such bond of indemnity as is hereinafter mentioned, to pay the applicant interest in respect of the note so lost or destroyed pending the issue of a duplicate note and also shall, at the expiration of six years from the date of the publication of the list in which the lost or destroyed security is first mentioned, if no reason to the contrary appear, issue to the applicant (on his executing and procuring the execution by two sureties of such indemnity bond as is hereinafter mentioned, should the same be deemed necessary by the Comptroller), a duplicate note in lieu of that so lost or destroyed as aforesaid.

19. The Comptroller may, within six years of the date of an order passed by him under the preceding rule, if he finds sufficient reason, alter or cancel such order, and may also require that the interval before the issue of a duplicate note be extended to twelve years, or such shorter period not being less than six years as he may think fit.

20. Indemnity bonds when taken on the issue of a duplicate note or notes shall be for twice the amount of such note or notes, and when taken on the issue of orders for payment of interest shall be for twice the amount of the interest involved, that is to say, twice the aggregate amount of all back interest accrued due on the note, plus twice the amount of all interest to accrue due thereon during the six years which will have to elapse before the issue of a duplicate note can be made. In simple cases such bonds may be issued by the Comptroller in a printed form prescribed by Government. No fee will be chargeable if a bond does not exceed in amount Rs. 500; but on bonds for higher amounts a fee of Rs. 5 for every Rs. 1,000 or part of Rs. 1,000 will be charged, provided that no fee for any one bond so issued shall exceed in amount Rs. 30. If, however, the Comptroller considers that the circumstances of the case demand that a bond shall be specially prepared by the Government Advocate, a fee of Rs. 32 shall be payable to that officer.

21. The list of securities lost or destroyed, referred to in Section 11 (3) of Regulation IX of 1894, in respect of which an order is made for payment of interest pending the issue of a duplicate security, or for the issue of such duplicate security, shall be advertised half-yearly in the *Mysore Gazette*, in the months of January and July or as soon afterwards as may be convenient. All securities in respect of which an order has been passed as aforesaid shall be included in the first list published next after the passing of such order and shall continue to be advertised every half year until the expiration of six years from the date of first publication or from the date of the last payment of interest on the original securities, whichever is the later date. Such list shall contain the following particulars, *viz.*, the name of the loan and number of the lost note, its value, in whose name it was issued, from what date it bears interest, the name of the claimant for a duplicate, the number and date of the order passed by the Comptroller for payment of interest or issue of a duplicate, and the date of publication of the list in which such security was first mentioned.